will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

The House will resume proceedings on postponed questions at a later time.

MOBILE WORKFORCE STATE INCOME TAX SIMPLIFICATION ACT OF 2017

Mr. GOODLATTE. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1393) to limit the authority of States to tax certain income of employees for employment duties performed in other States.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Mobile Workforce State Income Tax Simplification Act of 2017''.

SEC. 2. LIMITATIONS ON STATE WITHHOLDING AND TAXATION OF EMPLOYEE INCOME.

(a) IN GENERAL.—No part of the wages or other remuneration earned by an employee who performs employment duties in more than one State shall be subject to income tax in any State other than—

(1) the State of the employee's residence; and

(2) the State within which the employee is present and performing employment duties for more than 30 days during the calendar year in which the wages or other remuneration is earned.

(b) WAGES OR OTHER REMUNERATION.—Wages or other remuneration earned in any calendar year shall not be subject to State income tax withholding and reporting requirements unless the employee is subject to income tax in such State under subsection (a). Income tax withholding and reporting requirements under subsection (a)(2) shall apply to wages or other remuneration earned as of the commencement date of employment duties in the State during the calendar year.

(c) OPERATING RULES.—For purposes of determining penalties related to an employer's State income tax withholding and reporting requirements—

(1) an employer may rely on an employee's annual determination of the time expected to be spent by such employee in the States in which the employee will perform duties absent—

(A) the employer's actual knowledge of fraud by the employee in making the determination; or

(B) collusion between the employer and the employee to evade tax;

(2) except as provided in paragraph (3), if records are maintained by an employer in the regular course of business that record the location of an employee, such records shall not preclude an employer's ability to rely on an employee's determination under paragraph (1); and

(3) notwithstanding paragraph (2), if an employer, at its sole discretion, maintains a time and attendance system that tracks where the employee performs duties on a daily basis, data from the time and attendance system shall be used instead of the employee's determination under paragraph (1).

(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this Act:

(1) DAY.—

(A) Except as provided in subparagraph (B), an employee is considered present and performing employment duties within a State for a day if the employee performs more of the employee's employment duties within such State than in any other State during a day.

(B) If an employee performs employment duties in a resident State and in only one nonresident State during one day, such employee shall be considered to have performed more of the employee's employment duties in the nonresident State than in the resident State for such day.

(C) For purposes of this paragraph, the portion of the day during which the employee is in transit shall not be considered in determining the location of an employee's performance of employment duties.

(2) EMPLOYEE.—The term ''employee'' has the same meaning given to it by the State in which the employment duties are performed, except that the term ''employee'' shall not include a professional athlete, professional entertainer, qualified production employee, or certain public figures.

(3) PROFESSIONAL ATHLETE.—The term ''professional athlete'' means a person who performs services in a professional athletic event, provided that the wages or other remuneration are paid to such person for performing services in his or her capacity as a professional athlete.

(4) PROFESSIONAL ENTERTAINER.—The term ''professional entertainer'' means a person of prominence who performs services in the professional performing arts for wages or other remuneration on a per-event basis, provided that the wages or other remuneration are paid to such person for performing services in his or her capacity as a professional entertainer.

(5) QUALIFIED PRODUCTION EMPLOYEE.—The term ''qualified production employee'' means a person who performs production services of any nature directly in connection with a State qualified, certified or approved film, television or other commercial video production for wages or other remuneration, provided that the wages or other remuneration paid to such person are qualified production costs or expenditures under such State's qualified, certified or approved film incentive program, and that such wages or other remuneration must be subject to withholding under such film incentive program as a condition to treating such wages or other remuneration as a qualified production cost or expenditure.

(6) CERTAIN PUBLIC FIGURES.—The term ''certain public figures'' means persons of prominence who perform services for wages or other remuneration on a per-event basis, provided that the wages or other remuneration are paid to such person for services provided at a discrete event, in the nature of a speech, public appearance, or similar event.

(7) EMPLOYER.—The term ''employer'' has the meaning given such term in section 3401(d) of the Internal Revenue Code of 1986 (26 U.S.C. 3401(d)), unless such term is defined by the State in which the employee's employment duties are performed, in which case the State's definition shall prevail.

(8) STATE.—The term ''State'' means any of the several States.

(9) TIME AND ATTENDANCE SYSTEM.—The term ''time and attendance system'' means a system in which—

(A) the employee is required on a contemporaneous basis to record his work location for every day worked outside of the State in which the employee's employment duties are primarily performed; and

(B) the system is designed to allow the employer to allocate the employee's wages for income tax purposes among all States in which the employee performs employment duties for such employer.

(10) WAGES OR OTHER REMUNERATION.—The term ''wages or other remuneration'' may be limited by the State in which the employment duties are performed.

SEC. 3. EFFECTIVE DATE; APPLICABILITY.

(a) EFFECTIVE DATE.—This Act shall take effect on January 1 of the second calendar year that begins after the date of the enactment of this Act.

(b) APPLICABILITY.—This Act shall not apply to any tax obligation that accrues before the effective date of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from New York (Mr. NADLER) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia.

GENERAL LEAVE

Mr. GOODLATTE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 1393, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GOODLATTE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the Mobile Workforce State Income Tax Simplification Act provides a clear, uniform framework for when States may tax nonresident employees who travel to the taxing State to perform work. In particular, this bill prevents States from imposing income tax compliance burdens on nonresidents who work in a foreign State for 30 days or fewer in a year.

The State tax laws that determine when a nonresident must pay a foreign State's income tax and when employers must withhold this tax are numerous and varied. Some States tax income earned within their borders by nonresidents even if the employee only works in the State for just 1 day.

These complicated rules impact everyone who travels for work and many industries. As just one example, the Judiciary Committee heard testimony in 2015 that the patchwork of State laws resulted in a manufacturing company issuing 50 W–2s to a single employee for a single year. The company executive also noted, regarding the compliance burden, that ''many of our affected employees make less than $50,000 per year and have limited resources to seek professional advice.''

States generally allow a credit for income taxes paid to another State; however, it is not always dollar for dollar when local taxes are factored in. Credits also do not relieve workers of substantial paperwork burdens.

There are substantial burdens on employers as well. The committee heard

testimony in 2014 that businesses, including small businesses, that operate interstate are subject to significant regulatory burdens with regard to compliance with nonresident State income tax withholding laws. These burdens distract from productive activity and job creation.

Nevertheless, some object that the States will lose revenue if the bill is enacted. However, an analysis from Ernst & Young found that the bill's revenue impact is minimal. There is little motive for fraud and gaming because the amount of money at issue, taxes on less than 30 days' wages, is minimal.

Also, the income tax generally has to be paid; the question is merely to whom. Nor does this bill violate federalism principles. On the contrary, it is an exercise of Congress' Commerce Clause authority in precisely the situation for which it was intended.

The Supreme Court has explained that the Commerce Clause was informed by structural concerns about the effects of State regulation on the national economy. Under the Articles of Confederation, State taxes and duties hindered and suppressed interstate commerce. The Framers intended the Commerce Clause as a cure for these structural ills. This bill fits squarely within this authority by bringing uniformity to cases of de minimis presence by interstate workers in order to reduce compliance costs.

Last year's version of the bill passed the House on suspension by voice vote. This year's version is nearly identical, with two changes:

The professional entertainer exemption is narrowed from ''a person who performs services'' to ''a person of prominence who performs services'' in order to ensure that other entertainers retain the benefit of the bill's protections.

Second, the list of exclusions is expanded to cover film production employees if associated tax credits for instate productions are contingent on withholding film production wages earned in the State. This avoids disruption in such arrangements.

I commend the bill's lead sponsors, Representatives BISHOP and JOHNSON, and thank all of the bill's cosponsors.

Madam Speaker, I urge the bill's passage, and I reserve the balance of my time.

Mr. NADLER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in opposition to H.R. 1393. This bill represents a major assault on the sovereignty of the States, and it does particular damage to my home State of New York, depriving it of more than $100 million a year of its own tax revenue, which hardly fits the de minimis description by the gentleman from Virginia.

The Mobile Workforce State Income Tax Simplification Act would prohibit States from collecting income tax from an individual unless the person works more than 30 days in that State in a calendar year.

Simplifying and harmonizing the rules on tax collection across the country is a worthy goal, and I support efforts by the States and the Multistate Tax Commission to resolve the issue. New York has been an active participant in these negotiations and wants to reach a fair solution. But imposing a solution on States, and one that would cause a large financial burden on particular States, is clearly not the answer.

The power to tax is a key index of sovereignty; yet this legislation would prohibit States from taxing activity solely within their own borders except as prescribed in the bill. I think that is constitutionally dubious. Although I take a broad view generally of the Commerce Clause, I doubt it extends to authorizing Federal regulation of a State's ability to tax a person doing business within that State's own borders.

This bill is also deeply troubling as a matter of policy. Under this legislation, if you work in a State of which you are not a resident for fewer than 30 days, your income will not be subject to tax by that State. That amounts to 6 weeks of 5-day workweeks. While a de minimis exception may make some sense, I hardly think that 6 weeks is de minimis.

Ultimately, the threshold for taxation is for each State to decide for itself. If I were still a member of the New York Legislature, I would consider the political and economic merits of taxing out-of-State business activity, and I would vote based on what I thought was best for my State. But by what right does Congress step in to tell New York that it must forego more than $100 million a year based on economic activity that occurs entirely within its borders?

In some States, the 30-day threshold may not have a great fiscal impact. But New York State, for example, is home to New York City, the Nation's center of commerce, which also sits right across the river from New Jersey and a very short distance from Connecticut. This makes New York a major destination for out-of-State business travelers and makes it, by far, the hardest hit State under this bill. According to the New York State Department of Taxation and Finance, losses could be up to $120 million a year for New York.

□ 1515

This enormous financial loss would come at a time that the President and the Republican Congress are proposing to shift significant responsibilities to the States, while simultaneously slashing Federal assistance. If we further deprive New York of $120 million each year, and limit its ability to tax activity occurring within its own borders, vital services like education, law enforcement, and healthcare could all be on the chopping block.

During consideration of H.R. 1393 in the Judiciary Committee, I offered two amendments that would have mitigated its impact. The first would have reduced the bill's 30-day threshold to a far more reasonable 14 days, which is still almost 3 weeks of work without being subject to taxation. The other would have added highly paid individuals to the bill's list of exemptions, which would help avoid loopholes that could allow wealthy people to escape millions of dollars of taxation.

Had my amendments been accepted, the expected impact on New York would have been reduced by as much as $85 million a year. While still causing a significant drain on resources, these amendments would have gone a long way to making the bill fairer, while still achieving its underlying goals. Unfortunately, these amendments were defeated, and, therefore, I must oppose the bill.

Madam Speaker, I reserve the balance of my time.

Mr. GOODLATTE. Madam Speaker, I yield myself 30 seconds to respond to the gentleman from New York.

I would like to point out that those revenues that might flow to New York because of their onerous system of imposing taxation for as little as one day's work in New York redounds to the benefit of the other 49 States, who would then receive that tax benefit, as it properly should.

Madam Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. BISHOP), the lead sponsor of the legislation.

Mr. BISHOP of Michigan. Madam Speaker, I thank the chairman for yielding.

I am grateful for this opportunity to speak on my bipartisan, bicameral bill, H.R. 1393, the Mobile Workforce State Income Tax Simplification Act.

Madam Speaker, the 10th Amendment gives States the freedom to set their own public policy. It is important, however, that they do so in a way that does not infringe upon the Commerce Clause of the United States Constitution, which gives jurisdiction over interstate commerce to Congress.

With our constitutional mandate in mind, at a time of rapid expansion in our workforce and an increasingly global and mobile economy, it is incumbent upon Congress to simplify and ease the complex burden that is imposed on interstate commerce activity.

In my 25 years as an attorney and a small-business owner, I am uniquely aware of the task of complying with the complexities of the various State income taxes, especially when you travel to another State for business.

The burden to comply is a particular burden to small businesses, as well as their employees, because they simply do not have the resources and cannot absorb the compliance costs. As a result, the current tax framework puts smaller businesses, the very backbone of our economy, at a substantial competitive disadvantage relative to larger businesses.

And complex reporting requirements punish the employees, too. The time and overall expenses that result from filing all of this paperwork is overwhelming, and, in many cases, financially devastating. It is all because they had the audacity to work outside of their home State.

Rather than driving profits back into their businesses and community by expanding payrolls and reducing the price of consumer goods, businesses are being forced to spend their hard-earned, scarce resources on complying with a menagerie of convoluted and ridiculous State income tax laws.

While crafting this legislation in committee, we heard a lot of anecdotal information and a lot of personal testimonials. In fact, we heard first-hand testimony from an employee, indicating that his employer had to file over 10,000 W–2s on behalf of their numerous employees, primarily because they had crossed State lines for work. He went on to tell us one of his coworkers had to file 50 W–2s—that is 50 W–2s—just for himself.

That didn't make sense to us, and it certainly doesn't make sense to most Americans. Imagine an individual, making less than $50,000 a year, having to file 10, 20, or even 50 W–2s. It is ridiculous, and it is unacceptable.

Madam Speaker, I am an ardent defender of the United States Constitution—in particular, the 10th Amendment—which delegates authority not granted to the Federal Government, to the States.

That said, the Constitution gives plenary jurisdiction to Congress relative to the regulation of interstate commerce, under Article I, section 8. It is, therefore, as in this case, the constitutional responsibility of Congress to identify and respond to an increasingly mobile and global economy and relieve it of unnecessary burdensome compliance requirements resulting from a patchwork of unique State income tax laws.

And that is why many groups that advocate on behalf of States, such as the American Legislative Exchange Council, agree with this legislation, because H.R. 1393 is the type of simple and streamlined interstate commerce regulation Congress should be enacting. In fact, there are more than 300 outside organizations that have encouraged support of this bill.

With the help of my colleague, HANK JOHNSON, on the other side of the aisle, our Mobile Workforce State Income Tax Simplification Act is a carefully crafted, bipartisan, and bicameral measure that streamlines State income tax laws across the Nation.

It creates a uniform threshold, giving nonresidents 30 days to work in another State without being liable for that State's income tax. This simple and straightforward language ensures employees will have a clear understanding of their tax liability, and it gives employers a clear and consistent rule so that they can plan and accurately predict their tax liability, knowing the same rule applies for all States with an income tax.

It also means much less paperwork and reduced compliance costs for both States and businesses and their employees.

The goal of H.R. 1393 is to protect our mobile workers, and that includes traveling emergency workers and first responders; trade union workers; nonprofit staff; teachers; Federal, State, and local government employees; and much more. Any organization that has employees who cross State lines for temporary periods will benefit from this law.

I would also note that great care was taken with this bill to diminish the impact on State revenues. You heard testimony earlier relative to its impact on State governments. In fact, a 2015 study by Ernst & Young found that H.R. 1393 would actually raise State income tax revenues, while other States would only see a de minimis change.

With that said, I would like to take this time to thank all of the members of the Mobile Workforce Coalition who support our bill; Chairman GOODLATTE and his world class staff for all of their work; my 57 colleagues who cosponsored this in the House; as well as Senator THUNE, Senator BROWN, and nearly half of the United States Senate who have cosponsored our companion bill.

Madam Speaker, as Congress continues to work on comprehensive tax reform to jump start our economy and to provide relief for American families and businesses, the Mobile Workforce State Income Tax Simplification Act is a great start to streamline the Tax Code and roll back unnecessary and costly administrative burdens.

With so much red tape interwoven in today's Tax Code, this bill is a commonsense way to cut through the clutter and simplify part of the filing process moving forward. Together, we can make our workforce the priority and help our small businesses grow and prosper.

Madam Speaker, I strongly encourage my colleagues to support H.R. 1393.

Mr. NADLER. Madam Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. JOHNSON).

Mr. JOHNSON of Georgia. Madam Speaker, I thank Congressman NADLER for yielding.

Madam Speaker, H.R. 1393, the Mobile Workforce State Income Tax Simplification Act of 2017, is an important, bipartisan bill that will help workers and small businesses across the country—large businesses, also.

As the proud sponsor of this legislation in both the 110th and 111th Congresses, I am very familiar with how hard legislators on both sides of the aisle have worked since then to bring this bill to this point. I want to thank the chairman of the Judiciary Committee, Congressman BOB GOODLATTE, for ushering this bill to the House to this point, and I ask my colleagues to please vote in favor of this legislation.

H.R. 1393 would provide for a uniform and easily administrable law that will simplify the patchwork of existing inconsistent and confusing State rules. It would also reduce administrative costs to the States and lessen compliance burdens on consumers.

Take my home State of Georgia as an example. If an Atlanta-based employee of a St. Louis company travels to headquarters on a business trip once a year, that employee would be subject to Missouri tax, even if the annual visit only lasts for 1 day. However, if that employee travels to Maine, her trip would only be subject to tax if her trip lasts for 10 days. If she travels to New Mexico on business, she would only be subject to tax if she was in the State for 15 days.

Acuity Brands is a leading Georgia-based lighting manufacturer that employs over 1,000 associates and has over 3,200 associates nationwide who travel extensively across the country for training, conferences, and other business.

In a letter in support of a prior, nearly identical version of this bill, Richard Reece, Acuity's executive vice president, writes that current State laws are numerous, varied, and often changing, requiring that the company expend significant resources merely interpreting and satisfying States' requirements. He concludes that ''unified, clear rules and definitions for nonresident reporting and withholding obligations would undoubtedly improve compliance rates, and it would strike the correct balance between State sovereignty and ensuring that America's modern mobile workforce is not unduly encumbered.''

We should heed the concerns of Acuity, and numerous other businesses across the country, by enacting H.R. 1393 into law.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NADLER. Madam Speaker, I yield the gentleman an additional 1 minute.

Mr. JOHNSON of Georgia. With over 57 cosponsors during this Congress, it is clear that the Mobile Workforce State Income Tax Simplification Act of 2017 is an idea whose time has come.

I thank my colleagues for their work on this bill and, in particular, Congressman BISHOP, for his leadership on this bill in the 115th Congress. He has carried the torch for our esteemed former colleague, the late Howard Coble, who passed this bill out of the House in the 112th Congress.

I also thank our staffs, who have worked tirelessly to build support for this legislation along bipartisan lines.

This bill is a testament to the good that can come from working across the aisle on bipartisan tax fairness reforms. I am optimistic that the passage of H.R. 1393 augurs well for the passage of other e-fairness legislation, which is critical to countless small businesses across the country, during this Congress.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. NADLER. Madam Speaker, I yield the gentleman an additional 30 seconds.

Mr. JOHNSON of Georgia. I urge my colleagues in the Senate to bring this bill up for a vote soon. This country's employees and businesses deserve quick action.

Mr. GOODLATTE. Madam Speaker, I am the only speaker remaining and prepared to close, so I reserve the balance of my time.

Mr. NADLER. Madam Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from New York has 12 minutes remaining.

Mr. NADLER. Madam Speaker, I yield myself the balance of my time.

I want to quote from a letter from the president of the Federation of Tax Administrators and commissioner of the Oklahoma Tax Commission regarding this bill. She writes:

This bill breaches the core of the relationship between the Federal Government and State governments, a relationship that is fundamentally important to the voters of Virginia and of Michigan. It is a clear example of the Federal Government crossing a line that is seldom breached and, in this instance, should not be. The attached resolution from the State tax agencies, all of them, offers in detail to explain the State's positions against the mobile workforce.

□ 1530

Here are the three most compelling facts:

One, States have in place a combination of laws, rules, and compliance standards that effectively eliminate an unfair outcome when it comes to recordkeeping and taxation of wages earned in a State by a nonresident;

Two, these approaches, which include model legislation developed by the Multistate Tax Commission, take into account information that is available to employers and de minimis activities; and

Three, H.R. 1393 goes beyond what is necessary to ensure fair outcomes and a reasonable reporting burden, in particular, because the bill takes away the states' rights to require proper wage reporting and withholding even when the employer already has the information to easily do so. It opens up opportunities for tax avoidance.

In closing, let me note that this legislation would not just harm New York and not just to a de minimis amount—$100 million to $120 million is hardly de minimis—but it would also have a similar effect on other States. That is why this bill is opposed by a broad coalition of labor and tax organizations, including the AFL–CIO, AFSCME, SEIU, the International Union of Police Associations, Federation of Tax Administrators, Multistate Tax Commission, and many others.

Whether or not your State is hurt financially by this bill, however, all Members should be concerned by legislation that so brazenly strips from a State one of the fundamental hallmarks of sovereignty: the ability to tax economic activity that occurs entirely within its own borders. If we can target New York and other States with this bill, what is to say we won't come after your State next.

I must also add that this bill is one in a series of bills that we have seen over the last few years that chip away at the revenue-raising and taxing ability of the States. Especially as the current majority and the current President seek to shift more responsibilities to the States and away from the Federal Government, we should not be depriving the States of their ability to raise revenues as they see fit within their own sovereignty.

I urge my colleagues to vote against this misguided bill.

I yield back the balance of my time.

Mr. GOODLATTE. Mr. Speaker, I yield myself the balance of my time.

This bill enjoys broad bipartisan support. It has 57 cosponsors from both sides of the aisle. This bill will minimize compliance burdens on both workers and employers so they can get back to being productive, creating and performing jobs. We have received letters of support from hundreds of entities across the employment spectrum.

But this bill is not just about business; it is about individuals. One businessman told the Judiciary Committee that the compliance burdens from the patchwork of State laws falls on his employees, who make less than $50,000 per year and have limited resources to seek professional advice.

It has been questioned whether there will be revenue lost to the States. Analysis shows the impact is minimal, affecting mainly the allocation of revenues, not the overall size of the tax revenue pot.

Similarly, concerns about tax evasion are unfounded. Unlike in the general income tax context, there is little motive here for fraud or gaming.

The amount of money at issue, taxes on less than 30 days' wages, is minimal. More importantly, except in nine States, the employee will have to pay the tax, in any event, to the employee's home State, so the only savings would be from minor rate differentials between the two jurisdictions.

This legislation is a great example of Congress working in a bipartisan way to relieve burdens on hardworking Americans.

I want to thank the gentleman from Michigan (Mr. BISHOP) and the gentleman from Georgia (Mr. JOHNSON) for their bipartisan work on this legislation. I urge all of our colleagues to support the bill.

I yield back the balance of my time.

Mr. POE of Texas. Mr. Speaker, I rise in support of a common sense bill, H.R. 1393 which would set a national standard of 30 days for states to subject non-residents to income tax requirements within that state.

Under current law, many of the 41 states with a broad based personal income tax rate subject out of state residents to income tax in that state on the first day they "work" in the state.

This patchwork of state laws have created a confusing and unworkable nationwide system where individuals who travel to another state for a conference or meeting can find themselves subject to income tax requirements in a state where they only spent a few days.

In fact, these overburdensome requirements can create a scenario in which a company of 7,000 employees who travel for domestic business may have to file 10,500 W–2's over the course of a given year. This burden can be even worse for a small business.

One small business, which operates several customer service centers throughout the United States and has 600 employees working in 46 states, faces a significant burden trying to comply. Most of these 600 employees work out of one of the customer service centers, but 12 employees travel out of state to do a job occasionally. The manager of this company has to spend 3 plus hours every week figuring out the tax reporting requirements for these employees, even though most of them only pay $30 to $100 a year into these different taxing authorities.

Is this really a good use of the time of a small business? Wouldn't we rather have these individuals working to create jobs and grow our economy then wasting time complying with the burdensome reporting requirements for 42 different taxing authorities?

H.R. 1393 is a common sense solution to this problem. 30 days is a fair baseline standard that can be applied nationwide. It allows U.S. workers to travel and work around the country for a reasonable amount of time without subjecting them to reporting requirements for taxation in all of the jurisdictions in which they travel. If they stay longer than 30 days in any particular state then the state is free to tax them according to their own state laws.

With this new standard, American business will know what the rules of the road are across the country and they can plan their business accordingly.

I thank the Chairman for moving this important bill through the committee, and urge your support.

Mr. CONYERS. Mr. Speaker, I rise today in opposition to H.R. 1393, the "Mobile Workforce State Income Tax Simplification Act of 2017."

I agree with the bill's sponsors that a uniform framework specifying when an employer must withhold state income tax could help ensure simplicity and be more administrable than the current varied state standards. However the means by which H.R. 1393 achieves this result would lead to significant state revenue losses and could actually encourage income tax avoidance.

To begin with, rather than promoting uniformity, H.R. 1393 would have a significant adverse impact on income tax revenues for certain states.

According to the Congressional Budget Office, for example, New York could lose between $55 million and $120 million annually if this measure was signed into law.

Other states that would be adversely impacted include Illinois, Massachusetts, and California.

And, as a result of the lost revenues from non-resident taxpayers, these states could be forced to make up their losses by shifting the tax burden to resident taxpayers or levying new taxes.

And states may even have to cut governmental services, such as funding for education and critical infrastructure improvements.

Another problem with H.R. 1393 is that it essentially provides a roadmap for state income tax liability avoidance.

By allowing an employer to rely on the employee's determination of the time he or she is expected to spend working in another state during the year, the bill prevents the employer from withholding an employee's state income taxes to a non-resident state.

This would be the result even if the employer is aware that the employee has been working in a state more than 30 days, as long as that state cannot prove that the employee committed fraud in making his annual determination and that the employer knew it.

Rather than proceeding with this flawed bill, the House should be considering a fair and uniform framework to allow states to collect taxes owed on remote sales.

By staying silent since the Supreme Court's 1992 Quill decision, Congress has failed to ensure that states have the authority to collect the sales and use tax on Internet purchases.

Placing brick and mortar businesses at a competitive disadvantage hurts main street Americans and means fewer local jobs and fewer opportunities.

Lost tax revenues mean that state and local governments will have fewer resources to provide their residents essential services, such as education and police and fire protection.

We owe it to our local communities, our local retailers, and state and local governments to act this Congress.

I am disappointed that rather than moving the bipartisan eFairness legislation that our communities need, we are considering H.R. 1393 instead.

Accordingly, I oppose H.R. 1393.

The SPEAKER pro tempore (Mr. COLLINS of New York). The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, H.R. 1393.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

IMPROVING SERVICES FOR OLDER YOUTH IN FOSTER CARE ACT

Mrs. WALORSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2847) to make improvements to the John H. Chafee Foster Care Independence Program and related provisions.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Improving Services for Older Youth in Foster Care Act''.

SEC. 2. IMPROVEMENTS TO THE JOHN H. CHAFEE FOSTER CARE INDEPENDENCE PROGRAM AND RELATED PROVISIONS.

(a) AUTHORITY TO SERVE FORMER FOSTER YOUTH UP TO AGE 23.—Section 477 of the Social Security Act (42 U.S.C. 677) is amended—

(1) in subsection (a)(5), by inserting ''(or 23 years of age, in the case of a State with a certification under subsection (b)(3)(A)(ii) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with such subsection)'' after ''21 years of age'';

(2) in subsection (b)(3)(A)—

(A) by inserting ''(i)'' before ''A certification'';

(B) by striking ''children who have left foster care'' and all that follows through the period and inserting ''youths who have aged out of foster care and have not attained 21 years of age.''; and

(C) by adding at the end the following:

''(ii) If the State has elected under section 475(8)(B) to extend eligibility for foster care to all children who have not attained 21 years of age, or if the Secretary determines that the State agency responsible for administering the State plans under this part and part B uses State funds or any other funds not provided under this part to provide services and assistance for youths who have aged out of foster care that are comparable to the services and assistance the youths would receive if the State had made such an election, the certification required under clause (i) may provide that the State will provide assistance and services to youths who have aged out of foster care and have not attained 23 years of age.''; and

(3) in subsection (b)(3)(B), by striking ''children who have left foster care'' and all that follows through the period and inserting ''youths who have aged out of foster care and have not attained 21 years of age (or 23 years of age, in the case of a State with a certification under subparagraph (A)(i) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with subparagraph (A)(ii)).''.

(b) AUTHORITY TO REDISTRIBUTE UNSPENT FUNDS.—Section 477(d) of such Act (42 U.S.C. 677(d)) is amended—

(1) in paragraph (4), by inserting ''or does not expend allocated funds within the time period specified under section 477(d)(3)'' after ''provided by the Secretary''; and

(2) by adding at the end the following:

''(5) REDISTRIBUTION OF UNEXPENDED AMOUNTS.—

''(A) AVAILABILITY OF AMOUNTS.—To the extent that amounts paid to States under this section in a fiscal year remain unexpended by the States at the end of the succeeding fiscal year, the Secretary may make the amounts available for redistribution in the second succeeding fiscal year among the States that apply for additional funds under this section for that second succeeding fiscal year.

''(B) REDISTRIBUTION.—

''(i) IN GENERAL.—The Secretary shall redistribute the amounts made available under subparagraph (A) for a fiscal year among eligible applicant States. In this subparagraph, the term 'eligible applicant State' means a State that has applied for additional funds for the fiscal year under subparagraph (A) if the Secretary determines that the State will use the funds for the purpose for which originally allotted under this section.

''(ii) AMOUNT TO BE REDISTRIBUTED.—The amount to be redistributed to each eligible applicant State shall be the amount so made available multiplied by the State foster care ratio (as defined in subsection (c)(4), except that, in such subsection, 'all eligible applicant States (as defined in subsection (d)(5)(B)(i))' shall be substituted for 'all States').

''(iii) TREATMENT OF REDISTRIBUTED AMOUNT.—Any amount made available to a State under this paragraph shall be regarded as part of the allotment of the State under this section for the fiscal year in which the redistribution is made.

''(C) TRIBES.—For purposes of this paragraph, the term 'State' includes an Indian tribe, tribal organization, or tribal consortium that receives an allotment under this section.''.

(c) EXPANDING AND CLARIFYING THE USE OF EDUCATION AND TRAINING VOUCHERS.—

(1) IN GENERAL.—Section 477(i)(3) of such Act (42 U.S.C. 677(i)(3)) is amended—

(A) by striking ''on the date'' and all that follows through ''23'' and inserting ''to remain eligible until they attain 26''; and

(B) by inserting '', but in no event may a youth participate in the program for more than 5 years (whether or not consecutive)'' before the period.

(2) CONFORMING AMENDMENT.—Section 477(i)(1) of such Act (42 U.S.C. 677(i)(1)) is amended by inserting ''who have attained 14 years of age'' before the period.

(d) OTHER IMPROVEMENTS.—Section 477 of such Act (42 U.S.C. 677), as amended by subsections (a), (b), and (c) of this section, is amended—

(1) in the section heading, by striking ''**INDEPENDENCE PROGRAM**'' and inserting ''**PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD**'';

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''identify children who are likely to remain in foster care until 18 years of age and to help these children make the transition to self-sufficiency by providing services'' and inserting ''support all youth who have experienced foster care at age 14 or older in their transition to adulthood through transitional services'';

(ii) by inserting ''and post-secondary education'' after ''high school diploma''; and

(iii) by striking ''training in daily living skills, training in budgeting and financial management skills'' and inserting ''training and opportunities to practice daily living skills (such as financial literacy training and driving instruction)'';

(B) in paragraph (2), by striking ''who are likely to remain in foster care until 18 years of age receive the education, training, and services necessary to obtain employment'' and inserting ''who have experienced foster care at age 14 or older achieve meaningful, permanent connections with a caring adult'';

(C) in paragraph (3), by striking ''who are likely to remain in foster care until 18 years of age prepare for and enter postsecondary training and education institutions'' and inserting ''who have experienced foster care at age 14 or older engage in age or developmentally appropriate activities, positive youth development, and experiential learning that reflects what their peers in intact families experience''; and

(D) by striking paragraph (4) and redesignating paragraphs (5) through (8) as paragraphs (4) through (7);

(3) in subsection (b)—

(A) in paragraph (2)(D), by striking ''adolescents'' and inserting ''youth''; and

(B) in paragraph (3)—

(i) in subparagraph (D)—

(I) by inserting ''including training on youth development'' after ''to provide training''; and

(II) by striking ''adolescents preparing for independent living'' and all that follows through the period and inserting ''youth preparing for a successful transition to adulthood and making a permanent connection with a caring adult.'';

(ii) in subparagraph (H), by striking ''adolescents'' each place it appears and inserting ''youth''; and

(iii) in subparagraph (K)—

(I) by striking ''an adolescent'' and inserting ''a youth''; and

(II) by striking ''the adolescent'' each place it appears and inserting ''the youth''; and